

# **Executive Order to Expand Apprenticeships**

July 5, 2017

On June 15, 2017, President Trump issued Executive Order 13801 (EO) with the stated goal of expanding apprenticeship programs as a workforce development strategy. The EO emphasized apprenticeship programs as a workforce-driven strategy that may come at a lower cost to students than traditional higher education. The EO also directed federal agencies to review existing workforce development programs.

## Role of the Federal Government in Apprenticeship

Apprenticeship is a workforce development strategy for a specific occupation that combines on-the-job training and related instruction (often provided in a classroom). Historically, the primary federal role in supporting apprenticeships has been through the administration of the Registered Apprenticeship system. In this system, the Office of Apprenticeship (OA) at the federal Department of Labor (DOL) or an OA-approved state apprenticeship agency registers an employer's program as being in compliance with certain standards. Program standards and the registration process are established by regulation. Registration of an apprenticeship program can give the program eligibility for certain federal supports (e.g., GI Bill funds), but it is also possible that an employer may receive no direct federal financial benefit for registering a program.

In recent years, DOL has extended beyond its typical registration and oversight activities functions, administering several apprenticeship-focused grant competitions. The funding streams, activities supported, and eligible grantees of these competitions have varied. Some grants were supported by appropriations, and others were funded from non-appropriated immigration fees.

In the federal context, "apprenticeship" has been typically synonymous with Registered Apprenticeship programs. Programs that may have a strategy or format similar to apprenticeship but are not registered may have been considered on-the-job training programs.

# **EO's Directives to Expand Apprenticeship Programs**

The EO provides several directives with the objectives of expanding both supply of and demand for apprenticeships.

• Industry-recognized apprenticeships and expedited registration. The EO directs the Secretary of Labor to consider proposing regulations that may allow third parties (such as industry groups, companies, or unions) to verify that apprenticeship programs meet quality standards. These industry-recognized programs would then qualify for "expedited and streamlined registration" by DOL or applicable state apprenticeship agencies.

- Cross-agency promotion and expansion of apprenticeships. The EO directs the heads of specified federal agencies to promote apprenticeship and pre-apprenticeship programs for several target groups, including high school students, persons currently or formerly incarcerated, and members of the Armed Forces and veterans. On the employer side, the EO directs the Departments of Commerce and Labor to promote apprenticeships to business leaders across sectors, including manufacturing, infrastructure cybersecurity, and health care. The EO further directs the Department of Education to support the efforts of postsecondary institutions "to incorporate apprenticeship programs into their courses of study."
- Task Force on Apprenticeship Expansion. The EO directs the Secretary of Labor to establish a task force that will develop a report on effective strategies for expanding and promoting apprenticeship programs.
- Recognition of Excellence in Apprenticeship. The EO directs the Secretary of Labor, in
  consultation with the Secretaries of Education and Commerce, to establish an Excellence
  in Apprenticeship program to commend employers and other entities that implement
  apprenticeship programs.

## Considerations in Interpreting the EO

Some language in the EO is broad and some sections seemingly delegate substantial latitude to federal agencies. The practical implications of the EO will likely become clear as it is implemented.

- The definition of "apprenticeship" in the EO is not explicitly limited to registered
  apprenticeship programs. It is unclear if the EO intends to expand the federal
  apprenticeship strategy to include other programs that combine on-the-job training and
  education but may not be formally registered.
- The language related to modifying regulations and establishing industry-recognized apprenticeships delegates substantial decisionmaking to the Secretary of Labor. It directs the Secretary to "consider proposing regulations" that "reflect an assessment of whether to" pursue the industry-led approaches discussed in the EO.
- The extent to which uses of federal funding may change is unclear. Section 5 of the EO specifies that "subject to available appropriations and consistent with applicable law," DOL shall use funding to promote apprenticeships. Other than a single reference to 29 U.S.C. 3224a, a section of law the directs DOL to use certain immigration fees for job training and workforce services, the EO does not specify any new or existing funding stream that will be used to support the objectives of the EO.
- The specific mechanisms that will support apprenticeship are unclear. The EO directs specified federal agencies to promote apprenticeships, with a focus on certain industry sectors and worker populations. It is not clear if this promotion will be done primarily through outreach and informational services or if the federal government may provide funding for the development or implementation of new apprenticeship programs. The reference to funding in Section 5 mentions DOL but does not mention other agencies.

# Review of Federal Workforce Development Programs

Section 1 of the EO states that "federally funded education and education and workforce development programs are not effectively serving American workers" and that "federally funded education and workforce development programs that do not work must be improved or eliminated so that taxpayer dollars can be channeled to more effective uses."

Section 10 of the EO directs the head of each federal agency to develop a list of programs administered by his or her agency that are designed to develop occupational or workplace skills. Along with the list, the agency head shall include information on evaluations of any relevant data pertaining to program effectiveness as well as recommendations for improvement or, if the program is "ineffective, redundant, or unnecessary," elimination. The EO further directs the head of each agency, subject to available appropriations and consistent with applicable law, to order empirically rigorous evaluations of the effectiveness of each job training program, unless one has been conducted recently. EO instructs the director of the Office of Management and Budget to consider this agency-provided information in developing the President's FY2019 budget.

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